

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

Lordstown Motors Corp., *et al.*,¹
Debtors.

Chapter 11

Case No. 23-10831 (MFW)

Objection Deadline: December 26, 2023 at
4:00 p.m. (prevailing Eastern Time)

**COVER PAGE OF THE SECOND MONTHLY FEE
APPLICATION OF BROWN RUDNICK LLP, AS COUNSEL
FOR THE OFFICIAL COMMITTEE OF EQUITY SECURITY HOLDERS
OF LORDSTOWN MOTORS CORP., ET AL., FOR ALLOWANCE OF INTERIM
COMPENSATION AND FOR REIMBURSEMENT OF DISBURSEMENTS INCURRED
FOR THE PERIOD OCTOBER 1, 2023, THROUGH OCTOBER 31, 2023**

Name of applicant:	Brown Rudnick LLP (“ <u>Brown Rudnick</u> ”)
Authorized to provide professional services to:	Official Committee of Equity Security Holders (the “ <u>Equity Committee</u> ”)
Date retention approved:	Order Entered October 16, 2023 [Dkt. No. 558]; <i>Nunc Pro Tunc</i> to September 7, 2023
Period for which compensation and reimbursement is sought:	October 1, 2023 through October 31, 2023
Amount of compensation sought as actual, reasonable, and necessary:	\$590,162.50 ² (Interim compensation sought for 80% of that amount, or \$472,130.00)
Amount of reimbursement sought as actual, reasonable, and necessary:	\$1,664.93
This is an <u> x </u> interim (monthly) _____ final application application	
This is the Second Monthly Fee Application for Compensation and Reimbursement of Disbursements.	

¹ The Debtors and the last four digits of their respective taxpayer identification numbers are: Lordstown Motors Corp. (3239); Lordstown EV Corporation (2250); and Lordstown EV Sales LLC (9101). The Debtors’ service address is 27000 Hills Tech Ct., Farmington Hills, MI 48331

² Brown Rudnick LLP performed hours of services, for which 13.0 hours equating to \$7,552.00 were not billed. This deduction pertained to transient timekeepers as well as other voluntary reductions, indicative of the firm’s commitment to transparency and fair billing practices.

SUMMARY OF TIME & COMPENSATION**October 1, 2023 through October 31, 2023**

TIME AND COMPENSATION BREAKDOWN – PARTNERS				
Name of Professional Person	Position; Admission Date; Specialty	Hourly Billing Rate	Total Hours	Total Compensation
Robert J. Stark	Partner; Admitted to New Jersey Bar in 1995; New York Bar in 1996; Bankruptcy & Corporate Restructuring	\$1,950	40.2	\$78,390.00
Kevin A. Brown	Partner; Admitted to New Jersey Bar in 2006; New York Bar in 2008; Tax	\$1,400	7.2	\$10,080.00
Bennett S. Silverberg	Partner; Admitted to New York Bar in 2001; Bankruptcy & Corporate Restructuring	\$1,390	121.5	\$168,885.00
Vincent J. Guglielmotti	Partner; Admitted to New Jersey Bar in 2005; New York Bar 2006; Tax	\$1,375	3.4	\$4,675.00
Philip J. Flink	Partner; Admitted to Massachusetts Bar 1981; Corporate-US	\$1,360	26.4	\$35,904.00
Michael S. Winograd	Partner; Admitted to New York Bar in 2001; Litigation & Arbitration	\$1,280	47.4	\$60,672.00
Nicole M. Bouchard	Partner; Admitted to New York Bar in 2009; Tax	\$1,200	29.5	\$35,400.00
John Cushing	Partner; Admitted to Massachusetts Bar in 1999; Corporate	\$1,140	34.9	\$39,786.00

TIME AND COMPENSATION BREAKDOWN – PARTNERS				
Name of Professional Person	Position; Admission Date; Specialty	Hourly Billing Rate	Total Hours	Total Compensation
Shari I. Dwoskin	Partner; Admitted to Massachusetts Bar in 2014; New York Bar in 2023; Bankruptcy & Restructuring	\$1,025	26.9	\$27,572.50
Tristan G. Axelrod	Partner; Admitted to Massachusetts Bar in 2015 Bankruptcy & Restructuring	\$1,000	8.2	\$8,200.00
Daniel J. Healy	Partner; Admitted to New York Bar in 1999; Massachusetts Bar in 1999; District of Columbia Bar in 2002; Maryland Bar in 2005; Litigation	\$925	8.5	\$7,862.50
TOTAL			354.1	\$477,427.00
PARTNER BLENDED RATE		\$1,348.28		

TIME AND COMPENSATION BREAKDOWN – ASSOCIATES AND OTHER COUNSEL				
Name of Professional Person	Position; Admission Date; Specialty	Hourly Billing Rate	Total Hours	Total Compensation
Matthew A. Sawyer	Associate; Admitted to Massachusetts Bar in 2019; Bankruptcy & Corporate Restructuring	\$890	39.6	\$35,244.00
Alexander Kasnetz	Associate; Admitted to Illinois Bar in 2018; Bankruptcy & Corporate Restructuring	\$890	48.3	\$42,987.00
Lydell W. Benson Jr.	Associate; Admitted to New York Bar in 2022; Litigation & Arbitration	\$765	15.9	\$12,163.50
Jennifer M. Schein	Associate; Admitted to New York Bar in 2017; New Jersey Bar in 2017; Bankruptcy & Corporate Restructuring	\$765	5.4	\$4,131.00
Richard Jean-Baptiste	Associate; Admitted to New York Bar in 2022; Corporate & Capital Markets	\$685	6.0	\$4,110.00
TOTAL			115.2	\$98,635.50
ASSOCIATE & OTHER COUNSEL BLENDED RATE		\$856.21		

TIME AND COMPENSATION BREAKDOWN - PARAPROFESSIONALS				
Name of Professional Person	Position/Numbers of Years	Hourly Billing Rate	Total Hours	Total Compensation
Madelyn A. Soliman	Paralegal; Bankruptcy & Corporate Restructuring; over 3 years	\$470	30.0	\$14,100.00
TOTAL			30.0	\$14,100.00
PARAPROFESSIONALS BLENDED RATE		\$470.00		
GRAND TOTAL			499.3	\$590,162.50
BLENDED RATE FOR ALL BROWN RUDNICK TIMEKEEPERS		\$1,181.98		

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Case No. 23-10831 (MFW)

Objection Deadline: December 26, 2023 at
4:00 p.m. (prevailing Eastern Time)

**SECOND MONTHLY FEE APPLICATION OF BROWN RUDNICK LLP, AS
COUNSEL FOR THE OFFICIAL COMMITTEE OF EQUITY SECURITY HOLDERS
OF LORDSTOWN MOTORS CORP., ET AL., FOR ALLOWANCE OF INTERIM
COMPENSATION AND FOR REIMBURSEMENT OF DISBURSEMENTS INCURRED
FOR THE PERIOD OCTOBER 1, 2023, THROUGH OCTOBER 31, 2023**

Brown Rudnick LLP (“Brown Rudnick”), as counsel to the Official Committee of Equity Security Holders (the “Equity Committee”) of Lordstown Motors Corp. and its affiliated debtors and debtors-in-possession (collectively, the “Debtors”), hereby submits this Second Monthly Fee Application for Allowance of Interim Compensation and Reimbursement of Disbursements (the “Application”) seeking payment of (i) \$472,130.00, representing eighty percent (80%) of Brown Rudnick’s fees of \$590,162.50, and (ii) reimbursement of one hundred percent (100%) of Brown Rudnick’s disbursements in the amount of \$1,664.93, for the period of October 1, 2023 through October 31, 2023 (the “Application Period”), as set forth more particularly herein, pursuant to 11 U.S.C. §§ 328, 330, and 331, Fed. R. Bankr. P. 2016, the Local Rules of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), the United States Trustee Fee Guidelines – Guidelines for Reviewing Applications for Compensation and Reimbursement of Disbursements Filed under 11 U.S.C. § 330 (Appendix A to 28 C.F.R. § 58) (the “UST

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Guidelines”), and the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Chapter 11 Professionals and Committee Members* of this Court dated July 25, 2023 (the “Interim Compensation Order”) [Dkt. No. 181]. In support of this Application, Brown Rudnick hereby states as follows.

BACKGROUND

1. On June 27, 2023, the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware, thereby commencing these cases (the “Cases”).

2. As of the date hereof, the Debtors continue as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code, and no trustee or examiner has been appointed in these Cases.

3. On September 7, 2023, the Office of the United States Trustee (the “U.S. Trustee” or “UST”) filed the *Notice of Appointment of Official Committee of Equity Security Holders* [Dkt. No. 375].

4. On September 7, 2023, the Equity Committee selected Brown Rudnick to serve as its counsel.

5. On July 25, 2023, the Court entered the Interim Compensation Order. Pursuant to the Interim Compensation Order, the Court established a procedure for payment of interim compensation and reimbursement of disbursements for professionals retained in these Cases. In particular, the Court authorized the filing and service to certain notice parties of monthly fee applications by professionals retained in these Cases (including professionals employed by the Equity Committee) and payment by the Debtor of 80% of fees and 100% of expenses, in the absence of an objection made within twenty (20) days of service of the pertinent application.

6. On September 27, 2023, the Equity Committee filed the *Application for Order Authorizing the Employment and Retention of Brown Rudnick LLP as Counsel for the Official Committee of Security Equity Holders of Lordstown Motors Corp., et al., Nunc Pro Tunc to September 7, 2023* (the “Retention Application”) [Dkt No. 477]. On October 16, 2023, the Court entered an order approving the Retention Application [Dkt. No. 558].

PAYMENT AND REIMBURSEMENT REQUESTED

7. Brown Rudnick submits this Application for (a) payment of compensation for actual, reasonable, and necessary professional services performed by it as counsel for the Equity Committee during the Application Period, and (b) reimbursement of actual, reasonable, and necessary disbursements incurred in representing the Equity Committee during the Application Period. This Application is made pursuant to sections 328, 330, and 331 of the Bankruptcy Code, the Federal Rules of Bankruptcy, the Local Rules, the UST Guidelines, and the Interim Compensation Order. This is Brown Rudnick’s second monthly fee application.

8. During the Application Period, Brown Rudnick rendered legal services to the Equity Committee having a value of \$590,162.50 in fees, calculated at Brown Rudnick’s usual and customary hourly rates as more specifically set forth herein. In addition, Brown Rudnick incurred disbursements of \$1,664.93 during the Application Period. Thus, the total amount of fees (80% of the aggregate amount of fees for the Application Period) and disbursements for which Brown Rudnick seeks approval and payment on an interim basis for the Application Period is \$473,794.93.

9. Professional services and disbursements for which compensation and reimbursement are sought were provided to and incurred on behalf of the Equity Committee. Brown Rudnick requests that it be compensated for the time spent and expenses incurred in

connection with this matter. All of the fees and disbursements sought to be paid or reimbursed in this Application were actual, necessary, and reasonable, and benefited both the Debtors' estates and equity holders.

10. As set forth in the Retention Application, the Equity Committee retained Brown Rudnick as its counsel to provide the following professional services:

- a. assisting, advising, and representing the Equity Committee in its meetings, consultations, and negotiations with the Debtors and other parties in interest regarding the administration of these Cases;
- b. assisting, advising, and representing the Equity Committee in understanding its powers and its duties under the Bankruptcy Code and the Bankruptcy Rules and in performing other services as are in the interests of those represented by the Equity Committee;
- c. assisting with the Equity Committee's review of the Debtors' Schedules of Assets and Liabilities, Statement of Financial Affairs, and other financial reports prepared by or on behalf of the Debtors;
- d. assisting the Equity Committee's investigation of the acts, conduct, assets, liabilities, and financial condition of the Debtors and its affiliates, including certain transactions preceding the bankruptcy filing and the formation of the Debtors;
- e. assisting and advising the Equity Committee regarding the identification and prosecution of estate claims and causes of action;
- f. assisting and advising the Equity Committee in its review and analysis of, and negotiations with the Debtors and any counterparties related to, any potential sale or restructuring transactions;
- g. reviewing and analyzing all applications, motions, complaints, orders, and other pleadings filed with the Court by the Debtors or third parties, and advising the Equity Committee as to their propriety and, after consultation with the Equity Committee, taking any appropriate action;
- h. preparing necessary applications, motions, answers, orders, reports, and other legal papers on behalf of the Equity Committee, and pursuing or participating in contested matters and adversary proceedings as may be necessary or appropriate in furtherance of the Equity Committee's duties, interest, and objectives;
- i. representing the Equity Committee at hearings held before the Court and communicating with the Equity Committee regarding the issues raised, and the decisions of the Court;

- j. assisting, advising, and representing the Equity Committee in connection with the review of filed proofs of claim and reconciliation of or objections to such proofs of claim and any claims estimation proceedings;
- k. assisting, advising, and representing the Equity Committee in their participation in the negotiation, formulation, and drafting of a plan of reorganization/liquidation;
- l. assisting, advising, and representing the Equity Committee with respect to its communications with the general shareholder body regarding significant matters in these Cases;
- m. responding to inquiries from individual shareholders as to the status of, and developments in, these Cases; and
- n. providing such other services to the Equity Committee as may be necessary in these Cases or any related proceedings.

REASONABLE AND NECESSARY SERVICES RENDERED

11. The services rendered by Brown Rudnick during these Cases can be grouped into the categories set forth below. Brown Rudnick attempted to place the services provided in the category that best relates to such services. However, because certain services may relate to one or more categories, services pertaining to one category may in fact be included in another category. The following provides a narrative description of project categories to which attorneys and paraprofessionals of Brown Rudnick dedicated the most significant time (*i.e.*, time charges in excess of \$10,000 in the aggregate) during the Application Period:

a. **Plan And Disclosure Statement: Fees: \$313,825.50; Total Hours: 255.5.** These fees include significant work analyzing, negotiating with the Debtors and other parties-in-interest, and revising the Debtors' proposed plan and disclosure statement. Among other things, Brown Rudnick worked towards modifications of the plan and disclosure statement that would enable shareholders to retain their interests and otherwise best position the company for emergence.

b. **Foxconn Litigation Related: Fees: \$95,534.50; Total Hours: 86.8.** These fees pertain to Brown Rudnick's effort in assessing Foxconn claims against, and its interests in, the

Debtors. Brown Rudnick spent considerable time assessing the Foxconn litigation and preparing a response to Foxconn's motion to dismiss the adversary proceeding [Adv. Proc. No. 23-50414].

c. **Meetings of and Communications with Equity Holders: Fees: \$76,682.50; Total Hours: 52.6.** These fees include all services rendered by Brown Rudnick relating to meetings with the Equity Committee. It was and remains necessary that the Equity Committee communicate frequently with its advisors to discuss case developments and strategic decisions. During the Application Period, Brown Rudnick and other Equity Committee professionals conducted standing weekly meetings with the Equity Committee, as well as additional meetings and communications as circumstances warranted. Further, Brown Rudnick responded to numerous equity holder inquiries regarding the status of these Cases.

d. **Claims Administration and Objections: Fees: \$36,466.00; Total Hours: 26.1.** These fees relate to Brown Rudnick's work analyzing claims against the Debtors, including severance and other insider claims and securities plaintiffs' claims. The Equity Committee also reached a resolution with the Debtors with respect to the allowance of certain executives' severance claims. This resolution was memorialized in the *Debtors' Motion for Entry of an Order (I) Authorizing the Debtors to Settle Claims Under Certain Employment Agreements and (II) Granting Related Relief* [Docket No. 690]. The Court entered on order on November 29, 2023 approving the allowance of the executives' claims [Docket No. 759].

e. **Tax: Fees: \$23,213.50; Total Hours: 21.5.** These fees relate to Brown Rudnick's analysis and assessment of tax matters related to these Cases. Among the services provided, Brown Rudnick evaluated potential plan options which considered, among other things, the preservation of the Debtors' potentially valuable tax attributes.

f. **Employment and Fee Applications: Fees: \$14,012.00; Total Hours: 19.1.** These fees include all services rendered by Brown Rudnick relating to the preparation of its First Monthly Fee Application.

g. **Case Administration: Fees: \$10,387.00; Total Hours: 22.1.** These fees include all services rendered by Brown Rudnick relating to general administration of the Cases and may also include time that is not readily classifiable into other more specific matters. This category includes monitoring the case docket and circulating pertinent filings, coordinating internally to optimize workstreams, coordinating with Delaware co-counsel to ensure compliance with local procedures and practices, preparing materials ahead of upcoming hearings, and calendaring of pertinent dates and deadlines established during the course of these Cases.

h. **Asset Sales and Disposition: Fees: \$10,101.50; Total Hours: 8.1.** These fees relate to Brown Rudnick's involvement in the sale of certain assets of the Debtors.

12. Attached hereto as **Exhibit A** are detailed time entries reflecting the daily work performed by each Brown Rudnick professional with respect to whom compensation is sought during the Application Period. Attached hereto as **Exhibit B** is an itemized description of disbursements incurred during the Application Period.

13. This is Brown Rudnick's second monthly fee statement. A summary of Brown Rudnick's Monthly Fee Statements, inclusive of this Application, is reflected in the chart below.

Application Period	Total Fees	80% of Fees	20% Holdback	100% Expenses	Total Paid or To Be Paid for Compensation Period
9/7/23 to 9/30/23	\$450,112.00	\$360,089.60	\$90,022.40	\$2,274.38	\$362,363.98
10/1/23 to 10/31/23	\$590,162.50	\$472,130.00	\$118,032.50	\$1,664.93	\$473,794.93

14. In accordance with Bankruptcy Code section 504 and Fed. R. Bankr. P. 2016(a), no agreement or understanding exists between Brown Rudnick and any other person for the sharing of compensation received or to be received for services rendered in or in connection with this Case.

15. No agreement or understanding prohibited by 18 U.S.C. § 155 has been or will be made by Brown Rudnick.

16. The undersigned has reviewed the requirements of Local Rule 2016-2 and certifies that this Application complies with that Local Rule.

17. To the extent time or disbursement charges for services rendered or expenses incurred relate to the Application Period, but were not processed prior to the preparation of this application, or Brown Rudnick has for any other reason not yet sought compensation or reimbursement of expenses herein with respect to any services rendered or expenses incurred during the Application Period, Brown Rudnick reserves the right to request compensation for such services and reimbursement of such expenses in a future application.

WHEREFORE, Brown Rudnick requests immediate payment and reimbursement by the Debtor of the following amounts in connection with its representation of the Equity Committee for the Application Period, comprised of:

- a. interim compensation of \$472,130.00 (which is 80% of the aggregate amount of Brown Rudnick's fees totaling \$590,162.50 for the Application Period); and
- b. \$1,664.93 in disbursements.

Dated: December 6, 2023

By: /s/ Robert J. Stark
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